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SUBJECT: BELARUS WEEKLY POL/ECON REPORT - APRIL 24, 2009

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[¶1.](#) The following are brief items of interest compiled by  
Embassy Minsk.

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##### Civil Society

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[¶2.](#) Lukashenka Delivers Annual Address to Nation and Parliament

Lukashenka offered little new in a more than two-hour long annual speech addressed to the nation and the Parliament April [¶23.](#) Devoting the largest part of his speech to the crisis-hit economy, he yet again praised the Belarusian (i.e. his own) model of economic development, claiming the world's leading nations are currently following in his footsteps (by having government intervene in the economy). He asserted that Belarus will be the first to recover from the crisis. Lukashenka pledged to allow selective liberalization of the economy to the extent it does not encroach on his rule but emphasized he will make sure "productions are protected" and "jobs are preserved". Departing from his prepared remarks, he blamed the U.S. for starting the global financial crisis, repeatedly called Belarus "the heart of Europe" and committed himself to building bridges between the East and the West. He stressed that Belarus is seeking to continue a dialogue with the EU, including under the Eastern Partnership Program (EaP) and improve relations with the U.S., if it lifts sanctions and exercises no pressure on the GOB. Lukashenka did not make it any clearer if he plans to go to Prague for EaP summit and lashed out at the opposition

activists who tried to impede his travel there, citing only the former presidential hopeful Alyaksandr Milinkevich as an exception.

### 13. Opposition Youth Activist Wanted

A Minsk district police precinct stated April 17 that opposition youth activist Tatyana Tishkevich is wanted for allegedly violating her arrest regulations. Tishkevich was sentenced to two years of a partial house arrest over participating in an unsanctioned January 10, 2008, entrepreneurs' demonstration. The activist is currently studying in Poland after she was expelled from a Belarusian school and would be subject to arrest upon her return to Belarus.

### 14. Malady Front Member Jailed

A Brest district court sentenced Malady Front member Mikhail Ilyin to ten days in jail April 23. Police charged Ilyin with alleged minor hooliganism when the activist protested communism by placing a lavatory next to the Lenin monument in downtown Brest on April 22.

### 15. Human Rights NGO Denied Registration Appeal

The Supreme Court denied April 22 an appeal filed by the prominent human rights NGO Nasha Vyasna to challenge the Justice Ministry registration ban. The NGO founders maintained that they would submit another registration application yet again and would continue their regular activities despite the denial.

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Domestic Economy  
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### 16. National Bank Pledges Stability of the Belarusian Ruble in the 2nd Quarter

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The Presidential press service reported April 20 that during his routine report to Lukashenka the Chairman of the Board of the National Bank (NB) Pyotr Prokopovich pledged to keep the fluctuation of the Belarusian ruble (BYR) against the basket of currencies (Euro, US dollar and Russian ruble) in the second quarter of the year within one percent corridor. He also assured that the National Bank will meet all targets of the country's 2009 monetary and credit plan. At the same time, according to the data received by Prime TASS news agency from a source in the National Bank, Belarusians bought 74.8% more and sold 14.6% less cash hard currency than in January-February 2008. Purchases of cash currency have allegedly started surpassing sales ever since last October.

### 17. Lukashenka: We Will Not Tolerate Losses

According to the presidential press service, Lukashenka expressed serious concern about the country's economic situation during the quarterly report made by the GOB and the NB April 17 on the country's social and economic development in the first quarter and threatened senior government and industry officials with dismissals and prohibited any loss-making starting April 1.

He instructed the State Control Committee, the country's main inspection agency, to examine operations of each and every loss-making enterprise. Prime Minister Sergei Sidorsky sounded more optimistic claiming all industrial products manufactured in March were sold successfully. He nevertheless argued that major industrial enterprises should be supported promptly via cheap loans. To conclude the discussion Lukashenka assured that he will react harshly if the GOB fails to meet all targets set for the economy in the first six months of the year.

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Foreign Trade  
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#### 18. National Bank Further Liberalizes Import Payments

According to media reports, the National Bank sent a circular letter to all Belarusian banks April 15 to allow Belarusian importers making advance payments to their suppliers from accounts in Belarusian banks and from funds received as loans both from foreign lenders and Belarusian banks. The letter marks a significant progress as the previous NB letter, dated January 28, allowed such payments only from funds received from foreign lenders.

#### 19. GOB Introduces Prohibitive Import Tariffs

According to media reports, Lukashenka signed edict 214 on April 21 to introduce prohibitive import tariffs on major vegetables and consumer goods. The move, explained by the GOB as intended to protect domestic production, includes a six-month 180% import tariff on potatoes, onion, cabbage, carrots and beetroots, a nine-month, 40% tariff on meat, 30% tariff on wine, and a 25% tariff on some milk products. New, prohibitive and indefinite import tariffs on consumer goods include a 30% tariff on clothing, and 25-40% tariffs on consumer electronics and some other products. Post expects that the edict may not be welcomed by Russian manufacturers/suppliers and may add extra tension in Belarus' economic relations with its main trade partner.

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Quote of the Week  
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110. Speaking at a joint news conference with his Latvian counterpart in Riga April 22 Foreign Minister Sergei Martynov said: "There were no people in Belarus who were detained for their political views. There were people with certain political views who were detained on concrete criminal charges."  
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